

REMARKS

Overview

This amendment accompanies a request for continued examination. Claims 1, 3-4 and 9-11 are pending in this application. Claims 1 and 9 have been amended. The present response is an earnest effort to place all claims in proper form for immediate allowance. Reconsideration and passage to issuance is therefore respectfully requested.

Claim Rejections

Before discussing specific rejections or references cited, Applicant takes this opportunity to discuss important features of the present invention. The present invention is different from the prior art in terms of selecting a virtual health care network. The health care network ultimately chosen for each state is selected based upon both a disruption analysis and a cost analysis -- neither of which is disclosed in the prior art. The disruption analysis looks at various measures of how much participants are currently using a particular health care network, as one of the goals of the present invention is to create a virtual network that maximizes the largest number of member health care providers already utilized by participants. In addition to a disruption analysis, the present invention also contemplates a cost analysis to compute projected health care savings. To be sure, the combination of these features distinguishes the present invention from anything cited by the Examiner.

With respect to the specific rejections, the Examiner aptly recognized that the prior art previously cited against the claims (Lockwood, Goodroe and Leonard) do not teach the feature of projecting health care savings based upon historical hospital charges and physician charges, health care network discounts, and a portion of the historical health care costs projected to fall to

a health care provider in the network. For this feature of the invention, the Examiner cited the so-called Kevin reference. However, Kevin fares no better than the previously cited references. The Kevin reference is focused on so-called "capitation models" used by health care organizations; whereas, the present invention is focused upon selecting health care networks in the form of virtual health care networks which maximizes health care savings while minimizing the inconvenience to participants in changing health care providers. What is more, Kevin does not even disclose a computation of projected health care savings. The excerpts from Kevin cited by the Examiner (page 3, paragraphs 6-7; page 4, paragraphs 4-10) are silent on this point and certainly do not disclose anything enabling on the point.

Amendments to Claims

Independent claims 1 and 9 have been amended to more clearly distinguish the invention from the prior art. It is respectfully submitted that none of the references alone or in combination disclose specific steps for performing the disruption and cost analysis as recited in the claims.

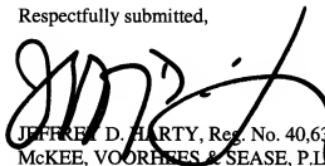
Conclusion

As all pending claims are patentably distinguishable over the cited prior art, all rejections should be withdrawn and the Examiner should find all claims allowable.

This amendment accompanies the filing of a Request for Continued Examination (RCE). Please charge Deposit Account No. 26-0084 the amount of \$405.00 for the RCE per the attached transmittal.

No other fees or extensions of time are believed to be due in connection with this amendment; however, consider this a request for any extension inadvertently omitted, and charge any additional fees to Deposit Account No. 26-0084.

Respectfully submitted,



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